

RECENT CHANGES TO EXTERNAL AUDITS WEBSITE [as of December 31, 2006]

GENERAL

- Added External Audit Circulars to provide additional guidance regarding Indirect Cost Rate audits
- Changed 'Consultant Information for Audit' to 'Consultant Audit Information'
- Added 'Cost Per Mile Conversion' Excel File for computing eligible Company Owned/Leased Vehicles amounts

INDIRECT COST RATE WORK PROGRAM

Cover Letter

- Added that a FAR Schedule of Indirect Costs must be submitted along with the State of Conn OPM General Letter 97-1 Schedule of Indirect Costs
- Added references for additional guidance
- Updated web address for FARs location

Notes to the Auditor

- Updated for compliance with June 2003 Yellow Book
- Added 'Risk Assessment' paragraph
- Added 'Sampling' paragraph

Planning Phase

- Flux analysis should be analyzed using the Amounts Presented

Field Audit – Analysis of Indirect Costs

- Executive Compensation: Section updated language
- Bonuses: Highlighting added
- Bonuses: Added that a copy of the Company's written bonus policy or agreement be included in the working papers
- Travel: New vehicle cost computation section added along with Excel Spreadsheet – See ConnDOT External Audit Circular No. 5
- Insurance: Added required audit step if Company is self insured

- Legal and Accounting: Added required audit steps regarding retainer fees
- Depreciation: Updated scope
- Allocation of Corporate Costs: Added reference to FAR 31.205-6 for Executive Compensation

Analysis of Direct Costs

- Adjusted language in the Note on In-House billing rates section

Analysis of Accounting System

- Changed 'firm' to 'company'

INDIRECT COST RATE SCHEDULE [EXCEL]

- Updated Cost of Money Worksheet
- Added Treasury Rates Worksheet
- Added Cost of Ownership Worksheet